

## NORTHAMPTONSHIRE PENSION FUND – Administering Authority Discretions

<b>Key Strategies and Policies</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<p><b><u>R 55</u></b> Governance compliance statement</p>	<p>Governance Compliance Statement must state whether the administering authority delegates its function or part of its function in relation to maintaining a pension fund to a committee, a sub-committee or an officer of the administering authority.</p> <p>If the administering authority does so delegate, the statement must include:</p> <ul style="list-style-type: none"> <li>- the terms, structure and operational procedures appertaining to the delegation;</li> <li>- the frequency of any committee or sub-committee meetings, whether such a committee or sub-committee includes representatives of Scheme employers or members and, if so, whether they have voting rights;</li> <li>- the extent to which a delegation, or the absence of a delegation, complies with Secretary of State guidance and, to the extent it does not so comply, state the reasons for not complying; and</li> <li>- the terms, structure and operational procedures appertaining to the local pension board.</li> </ul>	<p>See separate Governance Compliance Statement <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Governance-Policy-and-Compliance-Statement-2017.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Governance-Policy-and-Compliance-Statement-2017.pdf</a></p>
<p><b><u>R 58</u></b> Funding strategy</p>	<p>Decide on Funding Strategy for inclusion in funding strategy statement.</p>	<p>See Funding Strategy Statement available here <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2018/11/180928-Northamptonshire-Funding-Strategy-Statement-2016-v4.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2018/11/180928-Northamptonshire-Funding-Strategy-Statement-2016-v4.pdf</a></p>
<p><b><u>R 59(1) and (2)</u></b> Pension administration strategy</p>	<p>Whether to have a written pension administration strategy and, if so, the matters it should include.</p>	<p>The Fund has a Pension Administration Strategy which will be reviewed on a regular basis. Performance of the administering authority and the employers in the Fund will also be monitored against the targets and standards in the strategy and reported to the Pension Fund Board.</p> <p>The latest version is available here <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf</a></p>

<b>Key Strategies and Policies (continued)</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#"><u>R 61</u></a> Communication policy	Communication policy must set out the policy on provision of information and publicity to, and communicating with, members, representatives of members, prospective members and Scheme employers; the format, frequency and method of communications; and the promotion of the Scheme to prospective members and their employers.	The fund's communications strategy is available here <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2017/04/2017-Communications-Strategy.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2017/04/2017-Communications-Strategy.pdf</a>

<b>Scheme Management</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#"><u>R 105(2)</u></a> Delegations	Whether to delegate any administering authority functions under the Regulations.	The Administering Authority does delegate certain functions to senior officers and to the Pension Fund Committee as appropriate. Details of these are set out in the Council's Constitution and summarised in the Governance Policy and Compliance Statement. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2017/08/01/Governance-Policy-and-Compliance-Statement-2017.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2017/08/01/Governance-Policy-and-Compliance-Statement-2017.pdf</a>
<a href="#"><u>R 106(3)</u></a> Local Pension Board	Whether to establish a joint local pension board (if approval has been granted by the Secretary of State).	The Administering Authority did not establish a joint pension board.
<a href="#"><u>R 106(6)</u></a> Local Pension Board	Decide procedures applicable to the local pension board.	Procedures have been decided, and are detailed in the local pension board's terms of reference, which can be provided upon request.
<a href="#"><u>R 107(1)</u></a> Local Pension Board	Decide appointment and removal procedures, terms of appointment, and membership of the local pension board.	The appointment procedures and terms have been decided, and are detailed in the local pension board's terms of reference. The membership of the local pension board is set out on the Pension Fund's website.

**Disputes**

<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#"><u>R 74(1)</u></a> Internal Dispute Resolution Procedure	Appoint a person for dealing with applications under Stage One of the dispute resolution procedures (IDRP) in relation to any disputes relating to the role as Administering Authority.	The Head of Pensions is appointed as the Stage 1 adjudicator.
<a href="#"><u>R 74(4) &amp; TP 23</u></a> Internal Dispute Resolution Procedure	Whether to extend six month period to lodge a stage one IDRP appeal.	Decision delegated to the Head of Pensions, as the Stage 1 adjudicator, to consider each case on its own merits.
<a href="#"><u>R 74(6) &amp; TP 23</u></a> Internal dispute resolution procedure	Decide procedure to be followed by adjudicator when exercising stage one IDRP functions and decide the manner in which those functions are to be exercised.	The Head of Pensions is appointed as the Stage 1 adjudicator. Procedure set out in the Fund's: - A Guide To Resolving Disputes About An Administering Authority Pension Decision Made By, Or On Behalf Of, Northamptonshire County Council.
<a href="#"><u>R 76(4) &amp; TP 23</u></a> Internal Dispute Resolution Procedure	Decide procedure to be followed by administering authority when exercising its stage two IDRP functions and decide the manner in which those functions are to be exercised.	Procedure set out in the Fund's: - A Guide To Resolving Disputes About An Employer's Pension Decision, and - A Guide To Resolving Disputes About An Administering Authority Pension Decision Made By, Or On Behalf Of, Northamptonshire County Council. Stage 2 adjudicator is Northamptonshire County Council's Monitoring Officer.
<a href="#"><u>R 79(2) &amp; TP23</u></a> Internal Dispute Resolution Procedure	Whether administering authority should appeal to the Secretary of State against employer decision (or lack of a decision).	Decision delegated to the Head of Pensions to consider each case on its own merits.

**Admission Agreements and Employer Management**

Regulation No.	Description of Discretion	Administering Authority Policy
<p><a href="#">R 3(1A), R 3(5) and Sch 2, Part 3, Para 1</a> Admission Body agreements</p>	<p>Whether to agree to an admission agreement with a body applying to be an admission body.</p>	<p>See separate Admission and Bulk Transfer Policy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf</a></p>
<p><a href="#">R 4(2)(b)</a> Admission Body agreements</p>	<p>Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission.</p>	<p>See separate Admission and Bulk Transfer Policy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf</a></p>
<p><a href="#">R Sch 2, Part 3, para 9(d)</a> Admission Body agreements</p>	<p>Whether to terminate an admission agreement in the event of</p> <ul style="list-style-type: none"> <li>• insolvency, winding up or liquidation of the body.</li> <li>• breach by that body of its obligations under the admission agreement.</li> <li>• failure by that body to pay over sums due to the Fund within a reasonable period of being requested to do so.</li> </ul>	<p>See separate Admission and Bulk Transfer Policy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf</a></p>
<p><a href="#">R Sch 2, Part 3, para 12(a)</a> Admission Body agreements</p>	<p>Employees of a contractor are only entitled to remain in the LGPS whilst they continue to be employed in connection with the original services that were transferred. Define what the term “<b>in connection with</b>” means in the context of “only employees of the body who are employed <b>in connection with</b> the provision of the service or assets referred to in that sub-paragraph may be members of the Scheme”.</p>	<p>See separate Admission and Bulk Transfer Policy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf</a></p>
<p><a href="#">R Sch 2, Part 3, para 14</a> Admission Body agreements</p>	<p>The start date of an admission agreement may be set to be earlier than the date the admission agreement is executed.</p>	<p>The decision whether to backdate an admission will be made by the Head of Pensions taking into consideration the advice of the Fund Actuary.</p>
<p><a href="#">R 54(1)</a> Separate admission agreement fund</p>	<p>Whether to set up a separate admission agreement fund.</p>	<p>Separate admission agreement funds will not be set up as normal practice. Any such decision would need to be agreed by the Pension Fund Committee taking into consideration guidance from the Fund Actuary.</p>
<p><a href="#">R 64(2A)</a> Exiting employers</p>	<p>Whether to suspend (by way of issuing a suspension notice), for up to 3 years, an employer’s obligation to pay an exit payment where the employer is again likely to have active members within the specified period of suspension.</p>	<p>This will be decided by the Head of Pensions taking into consideration the advice of the Fund Actuary.</p>
<p><a href="#">R 64(2ZA)</a> Exiting employers</p>	<p>Whether to extend the period by which to pay an exit credit beyond 3 months from the date an Employer ceases to be a Scheme Employer.</p>	<p>This will be decided by the Head of Pensions, taking into consideration the advice of the Fund Actuary and by agreement with the exiting employer.</p>

**Admission Agreements and Employer Management (continued)**

Regulation No.	Description of Discretion	Administering Authority Policy
<p><a href="#">R 64(4)</a> Revised Rates and Adjustment Certificates</p>	<p>Whether to obtain revision of employer's contribution rate if there are circumstances which make it likely a Scheme employer will become an exiting employer.</p>	<p>Delegated jointly to the Head of Pensions and Section 151 Officer, and to be agreed in co-operation with the Fund Actuary See separate Admission and Bulk Transfer Policy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf</a></p>
<p><a href="#">R 68(2)</a> <a href="#">TP Sch 2, Para 2(3)</a> <a href="#">L 80(5)</a> Employer strain payments</p>	<p>Whether to require any strain on Fund costs to be paid "up front" by an employer following redundancy / business efficiency, flexible retirement, or the waiver (in whole or in part) of any actuarial reduction on voluntary or flexible retirement, or the waiver of an actuarial reduction on compassionate grounds under TP Sch 2, para 2(1).</p>	<p>The administering authority will recharge all strain on the fund costs in accordance with the Rates and Adjustment Certificate and guidance produced by the Fund Actuary. Payment should normally be made within 12 months of the effective date in the form of lump sum. This may be extended to up to three years if jointly agreed by the Head of Pensions and the Section 151 Officer.</p>
<p><a href="#">R 80(1)(b)</a> <a href="#">TP 22(1)</a> <a href="#">TP 23</a> Provision of Information by Employers</p>	<p>Specify information to be supplied by employers to enable administering authority to discharge its functions.</p>	<p>The Head of Pensions will specify the information to be provided by employers. Some information requirements may also be contained within the Administration Strategy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf</a></p>
<p><a href="#">R 69(1)</a> Employer Payments</p>	<p>Decide frequency of payments to be made over to Fund by employers and whether to make an administration charge for late receipt.</p>	<p>Payments must be made in accordance with Pensions Act (made monthly by 19<sup>th</sup> of the month following payroll). Any administration charge will be in accordance with the Fund's Administration Strategy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf</a></p>
<p><a href="#">R 69(4)</a> Employer Payments</p>	<p>Decide form and frequency of information from employers to accompany payments to the Fund.</p>	<p>Information should be provided on a monthly basis unless a less frequent basis is agreed with the Head of Pensions.</p>
<p><a href="#">R 70</a> <a href="#">TP 22(2)</a> Employer Payments</p>	<p>Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance.</p>	<p>See Separate Administration Strategy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2018/01/Administration-Strategy-2017.pdf</a></p>
<p><a href="#">R 71(1)</a> Employer Payments</p>	<p>Whether to charge interest on payments by employers which are overdue.</p>	<p>The Fund will charge employers interest for persistently making late payments to the Fund. Delegated authority is given to the Head of Pensions to apply a charge on a case by case basis, taking into consideration the administrative cost involved in raising the charges.</p>

<b>Admission Agreements and Employer Management (continued)</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">R 36(3)</a> <a href="#">A 56(2)</a> <a href="#">L 97(10)</a> Approved medical advisors for ill health retirements	Approve medical advisors used by employers (for ill health benefits).	Delegated powers have been given to the Head of Pensions to determine in advance of a referral whether an employer can use an alternative Occupational Health Provider to Northamptonshire County Council's own provider, and where approval is granted whether it is reasonable to use the practitioner proposed as the Independent Registered Medical Practitioner (IRMP) for pension purposes.

<b>Payments relating to Death</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">R 17(12)</a> , <a href="#">40(2)</a> , <a href="#">43(2)</a> & <a href="#">46(2)</a> <a href="#">TP 17(5) to (8)</a> <a href="#">B 23(2)</a> , <a href="#">32(2)</a> & <a href="#">35(2)</a> <a href="#">T Sch1</a> <a href="#">L 38(1)</a> & <a href="#">155(4)</a> <a href="#">R95 E8</a> Payments on death	The Administering Authority may, at its absolute discretion, pay any death grant due (including AVCs, SCAVCs and life assurance relating to AVCs) to or for the benefit of the deceased member's nominee, personal representatives or any person appearing to the authority to have been a relative or dependent of the member. This also relates to councillor members.	Delegated authority has been given to the Head of Pensions to determine the recipient of death grants. Details of prospective recipients will be sought and considered in all cases. Payment will <i>normally</i> be made: <ul style="list-style-type: none"> <li>• in accordance with the member's expression of wish, or</li> <li>• where no expression of wish was made, to the member's surviving spouse, civil partner or 'cohabiting partner' (as defined in Schedule 1 to the LGPS Regulations 2013).</li> </ul> Where the above payment options appear inappropriate based on the details of prospective recipients received, the Head of Pensions will determine whether payment will be made to, or divided in whatever proportions(s) they see fit between, the deceased's personal representative (in that capacity), one or more surviving nominees, and any person appearing to have been a relative or dependant of the deceased member. The County Council will ensure the details of current nominees will be included on annual benefit statements so that scheme members are given opportunity to revise nominations as part of the annual benefit statement exercise.

**Payments relating to Death (continued)**

Regulation No.	Description of Discretion	Administering Authority Policy
<p><a href="#">R 82(2)</a>  <a href="#">A 52(2)</a>  <a href="#">L 95</a>  Benefits due in respect of deceased persons</p>	<p>Whether to pay sums due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate / letters of administration where payment is less than amount specified in s6 of the Administration of Estates (Small Payments) Act 1965.</p>	<p>Where the total of the sums payable from the Scheme falls below the amount specified in s6 of the Administration of Estates (Small Payments) Act 1965 (£5,000 since 1984) sight of grant of probate or letters of administration is not required for payment. The decision as to the beneficiary is made on a case by case basis by the Head of Pensions.</p>
<p><a href="#">R Sch 1</a>  <a href="#">TP 17(9)(b)</a>  Cohabiting partner</p>	<p>Decide evidence required to determine financial dependence of cohabiting partner on scheme member or financial interdependence of cohabiting partner and scheme member.</p>	<p>Where a member dies and a potential cohabiting partner is identified, delegated authority is given to the Head of Pensions to decide on a case by case basis by taking account of the LGPS regulatory requirements, what evidence the partner will be asked to provide by the way of appropriate documents and paperwork to prove either dependency or interdependency.</p>
<p><a href="#">TP 3(6)</a>, <a href="#">4(6)(c)</a>, <a href="#">8(4)</a>,  <a href="#">10(2)(a)</a> &amp; <a href="#">17(2)(b)</a>  <a href="#">B 10(2)</a>  Final Pay</p>	<p>Where member to whom B10 applies (use of average of 3 years pay within the period of 13 years ending with the last day of active membership for final pay purposes) dies before making an election, whether to make that election on behalf of the deceased member.</p>	<p>The pay figure that will provide the greatest benefit will be applied in all cases.</p>
<p><a href="#">TP 3(6)</a>, <a href="#">4(6)(c)</a>, <a href="#">8(4)</a>,  <a href="#">10(2)(a)</a> &amp; <a href="#">17(2)(b)</a>  <a href="#">T Sch1</a>  <a href="#">L 23(9)</a>  Certificate of protection</p>	<p>Make election on behalf of deceased member with a certificate of protection of pension benefits i.e. determine best pay figure to use in the benefit calculations (pay cuts / restrictions occurring pre 1.4.08.).</p>	<p>The most advantageous final pay period for the member will be used in all cases.</p>
<p><a href="#">R Sch 1 "Eligible Child"</a>  <a href="#">TP 17(9)</a>  Child in education</p>	<p>Decide to treat child (who has not reached the age of 23) as being in continuous education or vocational training despite a break</p>	<p>A break of 1 academic year or less should be ignored. Authority is delegated to the Head of Pensions to extend this period in exceptional circumstances</p>
<p><a href="#">L 47(1)</a>  <a href="#">R95 G11(1)</a>  Children's pensions</p>	<p>Apportionment of children's pension amongst eligible children.</p>	<p>Payment will be apportioned equally amongst the eligible children unless there are exceptional circumstances, when authority is delegated to the Head of Pensions to determine an appropriate apportionment.</p>

<b>Payments relating to Death (continued)</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">B 27(5)</a> <a href="#">L 47(2)</a> <a href="#">R95 G11(2)</a> Children's pensions	Whether to pay the whole or part of a child's pension to another person for the benefit of the child.	Payment will be made to a parent or guardian where the child is aged below 17, with payment made direct to the child in all other circumstances. In these cases, the parent or guardian must sign a written statement confirming that the pension will be used for the benefit of the child.
<a href="#">R95 F7</a> Survivors pension	Suspension of spouses' pensions during remarriage or cohabitation.	Resolved that spouse's pensions are not ceased on re-marriage or cohabitation that took place or commenced on or after 1 April 1998 but are payable for life. This brought equity with post 31 March 1998 retirees/leavers with deferred benefits.

<b>Transferring or Linking Benefits</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">R 98(1)(b)</a> Bulk Transfer	Agree to bulk transfer payment.	See separate Admission and Bulk Transfer Policy. <a href="http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf">http://pensions.northamptonshire.gov.uk/app/uploads/2012/11/Northamptonshire-Admitted-body-Scheme-employer-and-bulk-TV-policy-Final-2015.pdf</a>
<a href="#">R 100(6)</a> Transfer in time limit extension	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS.	This will be on a case by case basis with delegated authority given to the Head of Pensions. The member's employer must also agree to any extension.
<a href="#">R 100(7)</a> Transfer of pension rights	Allow transfer of pension rights into the Fund.	Transfers into the Fund will be permitted.
<a href="#">TP 10(9)</a> Concurrent aggregation choice	Where there are multiple ongoing employments, in the absence of an election from the member within 12 months of ceasing a concurrent employment, decide to which record the benefits from the ceased concurrent employment should be aggregated.	The power to determine this is delegated to the Head of Pensions. (The assessment will be based on which of the concurrent employments continuing immediately after leaving the employment in question is considered the main ongoing employment. This assessment being made based on which employment has the greatest annual rate of pensionable pay based on pay that would be pensionable under Regulation 20 of the LGPS Regulations 2013).
<a href="#">L 118</a> Contributions Equivalent Premium	Retention of CEP where member transfers out.	Where HMRC will accept payment of the CEP, this should be made. If they will not for any reason the CEP should be retained.

<b>Other Miscellaneous Discretions</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#"><u>L 106A(5)</u></a> Annual Deferred Benefit Statement	Date to which benefits shown on annual deferred benefit statement are calculated.	Calculated as at first Monday in each tax year so as to coincide with the effective date of the Pensions Increase Review Order
<a href="#"><u>TP 3(13)</u></a> <a href="#"><u>A 70(1)</u></a> & <a href="#"><u>71(4(c))</u></a> Abatement on re-employment	Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment.	Members who are in receipt of an augmented pension or annual compensation (where additional pension, additional membership or a credited period has been awarded by their former employer) due to early retirement on the grounds of redundancy or in the interests of efficiency should have any pension based on pre 1 April 2014 membership assessed for reduction or suspension on re-employment that offers membership of the LGPS. The pension in respect of any pre 1 April 2014 membership will be reduced by the excess of the annual rate of pay on commencing the new job, or at any material change, plus the annual rate of pension in payment at that date in respect of any pre 1 April 2014 membership over the annual rate of pay of the former employment on the last day used in calculating the Final Pay that the pension was based on (revalued by pension increase); where the excess is greater than the annual rate of pension in respect of pre 1 April 2014 membership in payment, that pension will be suspended. The reduction or suspension will continue until the employment ends or there is a reassessment due to a material change.
<a href="#"><u>R 22(3)(c)</u></a> Pension Account	Pension account may be kept in such form as is considered appropriate.	Pension accounts will be held electronically using the Altair pension administration software.
<a href="#"><u>R 83</u></a> <a href="#"><u>A 52A</u></a> Member unable to deal with their own affairs	Whether, where a person (other than an eligible child) is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit.	This will be on a case by case basis with delegated authority given to the Head of Pensions.
<a href="#"><u>R 16(1)</u></a> Minimum Additional Pension Contributions / Shared Cost Additional Pension Contributions	Whether to turn down a request to pay an APC/SCAPC over a period of time where it would be impractical to allow such a request (e.g. where the sum being paid is very small and could be paid as a single payment).	There is no minimum monthly payment required for entering into an APC/SCAPC contract.

<b>Other Miscellaneous Discretions (continued)</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">R 16(10)</a> Request medical for APC/SCAPC	Whether to require a satisfactory medical before agreeing to an application to pay an APC / SCAPC.	A scheme member wishing to pay APC/SCAPC should be required to complete a declaration, countersigned by their General Practitioner, that they are in reasonably good health, prior to being permitted to commence payment, EXCEPT where the payments are to purchase pension no more than that which is to cover a period of absence, when no such declaration shall be required.
<a href="#">R 16(1)</a> Proof of good health for APC / SCAPC	Whether to turn down an application to pay an APC / SCAPC if not satisfied that the member is in reasonably good health.	Where a scheme member wishing to pay APC/SCAPC does not provide a declaration, countersigned by their General Practitioner, that they are in reasonably good health, their application to pay APC/SCAPC will be turned down, UNLESS the payments are to purchase pension no more than that which is to cover a period of absence, when no such declaration shall be required.
<a href="#">R 32(7)</a> Flexible retirement time limit	Whether to extend the time limits within which a member must give notice of the wish to draw benefits before normal pension age or upon flexible retirement.	The advance notice required for payment of benefits before normal pension age will be shortened from 3 months to 1 month. A notice that benefits are to be paid on flexible retirement should be given no more than 1 month after the reduction in hours and/or grade, i.e. the period will not be extended.
<a href="#">TP 15(1)(c)</a> <a href="#">T Sch1</a> <a href="#">L 83(5)</a> Added years contributions	Extend time period for capitalisation of remaining contributions to an added years contract in cases of redundancy.	This will be considered on a case by case basis with delegated authority given to the Head of Pensions.
<a href="#">R 34(1) &amp; 39(1)(b) &amp; (c)</a> <a href="#">B 39</a> <a href="#">T 14(3)</a> <a href="#">L 49</a> Pension Commutation	Decide whether to trivially commute a member's pension under section 166 of the Finance Act 2004; whether to trivially commute a lump sum death benefit under section 168 of the Finance Act 2004; or whether to pay a commutation payment under regulations 6 (payment after relevant accretion), 11 (de minimis rule for pension schemes) or 12 (payments by larger pension schemes) of the Registered Pension Schemes (Authorised Payments) Regulations 2009.	Members and beneficiaries who meet the criteria for commutation will normally be offered commutation as an option.
<a href="#">R 49(1)(c)</a> <a href="#">B 42(1)(c)</a> Double entitlement	Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under 2 or more regulations in respect of the same period of Scheme membership.	The power to determine and notify the member of the provision under which benefits are to be awarded will be delegated to the Head of Pensions and will be considered on a case by case basis.

<b>Other Miscellaneous Discretions (continued)</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">L 147</a> Pension Credit	Discharge Pension Credit liability.	These cases will be considered on a case by case by the Head of Pensions, taking consideration of the national LGPS guidance issued by LGE.
<a href="#">L 50 and 157</a> Exceptional ill health commutation	Decide whether to commute benefits due to exceptional ill-health (includes. Pension Credit members where the effective date of the Pension Sharing Order was pre 1 April 2014 or where the effective date of the Pension Sharing Order is after 31 March 2014 but the debited member had no post 31 March 2014 membership of the 2014 Scheme).	Members who meet the criteria for commutation on grounds of exceptional ill health will be offered commutation as an option.
<a href="#">L 91(6)</a> Employer payments	Timing of pension increase payments by employers to fund (pre 1 April 2008. leavers).	Will generally be recharged quarterly; however Head of Pensions given delegated authority to agree alternative frequency.

<b>Discretions relating to employers which are no longer Scheme employers</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">R 38(3) &amp; 38(6)</a> <a href="#">B 31(4) and 31(7)</a> Deferred Beneficiary – Payment on ill health grounds	Where the question arises of whether a deferred beneficiary meets criteria for being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner but the member's employer is no longer a 'scheme employer', the decision falls to the administering authority. This also applies to a scheme member who was formerly in receipt of Tier 3 ill-health benefits.	Decision delegated to the Head of Pensions to consider each case on its own merits.
<a href="#">TP Sch 2, Paras 1(2) and 1(1)(c) and R 60</a> Waiver of actuarial reductions	Waiving of actuarial reduction where former employer has ceased to be a 'Scheme employer', including whether to 'switch on' the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60. This can also apply to former Tier 3 Ill-Health members.	The waiving of any actuarial reduction will be made in line with the County Council's own employer policy in this area.
<a href="#">TP 3(1), Sch 2, Paras 2(1) &amp; 2(2)</a> <a href="#">B 30(5) &amp; 30A(5)</a> Waiving reductions	Where the question arises of whether to waive any actuarial reduction on pre and/or post April 2014 benefits but the member's employer is no longer a 'Scheme employer', the decision falls to the administering authority.	The waiving of any actuarial reduction will be made in line with the County Council's own employer policy in this area.

<b>Discretions relating to employers which are no longer Scheme employers (continued)</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#"><u>R 30(8)</u></a> Waiving reductions	Where the question arises of whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement, but the member's employer is no longer a 'scheme employer', the decision falls to the administering authority.	The waiving of any actuarial reduction will be made in line with the County Council's own employer policy in this area.
<a href="#"><u>R 30(8)</u></a> Waiving reductions	Where the question arises of whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement but the member's employer is no longer a 'scheme employer', the decision falls to the administering authority.	The waiving of any actuarial reduction will be made in line with the County Council's own employer policy in this area.
<a href="#"><u>TP 12(6)</u></a> Ill health certificate	Where the question arises of whether to use a certificate produced by an IRMP under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme but the member's employer is no longer a 'scheme employer', the decision falls to the administering authority.	A 2008 Scheme ill health certificate will not be accepted for ill health determinations made after 1 October 2014.

<b>Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended) in relation to awards of compensation made to pre 1 April 2007 leavers</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<b>31(2)</b> Compensation	Decide whether to agree to pay annual compensation on behalf of fund employer and recharge payments to employer.	Annual compensation payments already being paid on behalf of employers, and recharged, will continue to be paid, and in the event of new survivors' compensation becoming payable, these payments will similarly be paid on behalf of employers and recharged. The power to determine the frequency and terms of recharge for each employer is delegated jointly to the Head of Pensions and Section 151 Officer, notwithstanding that in accordance with Regulation 31(4) payments must be recovered within 2 months of them being made.

<b>Discretion under the Registered Pension Schemes (Modification of Scheme Rules) Regulations 2011</b>		
<b>Regulation No.</b>	<b>Description of Discretion</b>	<b>Administering Authority Policy</b>
<a href="#">2</a> Voluntary Scheme Pays	To decide whether it is legally able to offer voluntary scheme pays and, if so, to decide the circumstances (if any) upon which it would do so	Voluntary Scheme Pays will be permitted where the member has incurred an annual allowance charge greater than £2,000 and is affected by the Tapered Annual Allowance, or where Mandatory Scheme Pays would have applied but the member is out of time.

**Key to Regulation References:**

- R**        **The Local Government Pension Scheme Regulations 2013**
- TP**      **The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014**
- A**        **The Local Government Pension Scheme (Administration) Regulations 2008**
- B**        **The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007**
- T**        **The Local Government Pension Scheme (Transitional Provisions) Regulations 2008**
- L**        **The Local Government Pension Scheme Regulations 1997**
- R95**     **The Local Government Pension Scheme Regulations 1995**

**Note that references to old provisions (e.g. L) generally apply in relation to scheme members who left under those provisions.**

Northamptonshire County Council, as administering authority to the Northamptonshire County Council Pension Fund, has determined its discretionary policies in accordance with the Local Government Pension Scheme Regulations 2013 (as amended), and related legislation, and these are outlined in this statement. We will apply these policies to all members of the Pension Fund, regardless of who their employer is. Where relevant, these policies equally apply to members who left pensionable service prior to 1 April 2014 (albeit only in relation to discretions exercised since the effective date of these policies), to councillor members and to pension credit members.

The content of these policies is drafted in line with current legislation. These policies were approved by the Pension Fund Committee on 14 December 2018 and are effective from 15 December 2018, unless stated otherwise within this statement.

We retain the right to change these policies at any time as long as we republish the amended policy within at least one month of when the change(s) we are introducing came into effect.

These policies do not give, nor shall they be deemed to give, any contractual rights to any member of the Pension Fund, or to any other person whatsoever. Nothing in this document will cause the Administering Authority's capacity to exercise its discretionary powers to be unlawfully fettered or restricted in any way.

We will exercise these discretions in line with the provisions of the various LGPS Regulations and other legislation. Nothing within this statement can overwrite the legal requirements within those provisions.

We will review the policies within this statement as required in the light of future changes to the LGPS legislation or other relevant legislation. It will also be reviewed at least every three years.